CLEAN CITIES SCHOOL BUSES:

ESTIMATED FUNDS AVAILABLE: \$400,000

ESTIMATED NUMBER OF PROJECTS: 2-3

FUNDING CEILINGS/EXPECTED RANGE OF FUNDING: \$200,000 maximum per project

COST SHARE: Vehicles: None. 100% of the incremental cost of the school buses is available Infrastructure: 20% non-Federal cost share with 20% of this amount in cash for

Infrastructure.

Incremental cost shall be based on the difference between the cost of the alternative fuel school bus and the cost of a comparable conventional model verified by manufacturer bid, after all other applicable manufacturer and local/State rebates and cash equivalent incentives are applied.

QUALIFICATION CRITERIA: States must submit special project applications in partnership with their local, officially-designated (or approved for designation) Clean Cities coalition. Only projects located in active, designated (or approved for designation) Clean Cities are eligible for funding. An "active" coalition is one with a valid and approved memorandum of understanding with DOE. "Approved for designation" means that DOE has authorized a designation ceremony for a coalition. A separate application for each coalition must be submitted. Failure to comply with this qualification criteria will deem the application non-responsive and will not be considered for comprehensive evaluation.

BACKGROUND AND OBJECTIVES: The goal of the U.S. Department of Energy's (DOE) Clean Cities initiative is to decrease the nation's dependence on petroleum in the transportation sector through public/private Clean Cities partnerships formed around the country by:

- Accelerating the development of a sustainable alternative fuels market
- Accelerating the use of idle reduction technologies
- Accelerating the use of hybrid vehicles
- Increasing the use of alternative fuel blends in petroleum fuels
- Promoting informed consumer choice on fuel economy

The Clean Cities initiative is offering funding for the incremental costs of alternative fuel school buses and the cost of refueling sites for these buses to assist in decreasing the nation's dependence on petroleum by helping to grow the alternative fuels market.

PROJECTS REQUESTED/AREA OF INTEREST: Funding is available to support DOE's Energy Smart Schools initiative. Clean Cities is interested in funding the incremental costs of alternative fuel school buses and a portion of the cost of refueling sites for these buses. Only school buses that will operate on Energy Policy Act of 1992 authorized alternative fuels are eligible (see http://www.eere.energy.gov/cleancities/vbg/whatis_epact.shtml to find a listing of authorized fuels). Projects involving the use of experimental vehicle technologies will not be funded. Applicants are encouraged to coordinate/partner with bus original equipment manufacturers, and other school bus fleets interested in similar vehicle platforms to maximize factory orders for specific bus types. Priority will be given to projects that are identified as being part of this type of industry consortium partnership. Alternative fuel school buses in this category must use emissions certified engines. DOE has particular interest in funding larger projects of 5 or more new alternative fuel buses for one location, as well as alternative fuel bus fleet expansion projects.

Projects requesting funding assistance for both school buses and related refueling infrastructure are to be submitted as one combined application in this category. The refueling infrastructure components of the application can include new dispensing facilities, or additional equipment or upgrades and improvements to existing AFV refueling sites. Funding can be used to purchase equipment or to pay for specific turn-key fueling services by qualified AFV fuel providers. Include the fuel type, estimated fuel sales (i.e., fuel quantity based on fleet commitments, not the total capacity of the station), and the projected number of AFVs/buses that will use the facility. If other fleets will also be using this site, attach letters of commitment to that effect.

A detailed tutorial that describes how to prepare an application in this category is available online at www.eere.energy.gov/cleancities/pdfs/bustutor04.pdf. The tutorial includes a thorough discussion of critical project elements, technical requirements, and other information that is helpful in preparing a competitive application. Please note that if there are any discrepancies between the tutorial and the funding opportunity, the funding opportunity prevails.

Cost estimates for vehicles and infrastructure must be included.

The performance track record of applicants that have received previous DOE grants will be taken into account. Applicants must describe the status and results of all previous grants in the application.

If project management costs are included in the budget, the project manager must be identified and his/her responsibilities described. Project management costs are not the same as administration costs.

Applications must include the Clean Cities School Bus Application Cover Sheet (Attachment 1) which summarizes significant application elements.

EVALUATION CRITERIA:

Applications that satisfy the qualification criteria identified above, will then be evaluated and ranked by the following criteria:

- 1. Probability of project success based on the technical feasibility of the project, thoroughness of project implementation plan, identification and qualifications of appropriate team members, and quality of supporting documentation (i.e., fleet and financial letters of commitment, letters identifying site locations and letters with vehicle and infrastructure information.) (Weight 35)
- 2. Energy security benefits as indicated by the estimated amount of petroleum displaced as a result of this project and/or by the estimated alternative fuel used in the school buses. (Weight 35)
- 3. Extent to which project will contribute to a sustainable alternative fuel market, potential for future growth without additional Federal funding and probability of increasing awareness and acceptance of alternative fuels among target sectors in the local community including, but not limited to, current stakeholders, fleet operators, media, and the general public. (Weight 15)
- 4. Overall benefit to cost. Anticipated project benefits, cost effectiveness of project based on the amount of petroleum displaced; cost per gallon displaced. Active participation from other coalition stakeholders and partners are strongly encouraged. (Weight 15)

Attachment 1. Clean Cities School Bus Application Cover Sheet

Applicant/State:
Sub-grantee:
Supporting Coalition Name:
Project Total: \$
Amount Requested: \$
Fuel Type(s):
Non-Federal Cost Share Committed for vehicles, if any:
Non-Federal Cost Share Committed for infrastructure:
Number of Heavy-Duty School Buses:
New or Addition to Existing Fleet:
Estimated Annual Petroleum Displacement: Per vehicle: Per project: